Supreme Court, U.S.
FILED
OCT 4 1991
OFFICE OF THE CLERK

No. 91-445

IN THE

Supreme Court of the United States

OCTOBER TERM, 1991

RAYMOND BOYD,

Petitioner,

—v.—

SCHILDKRAUT GIFTWARE CORPORATION and
D&E TRADING CORPORATION,

Respondents.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF FOR RESPONDENTS IN OPPOSITION

MARVIN E. FRANKEL
(Counsel of Record)
TERRY D. WEISSMAN
KRAMER, LEVIN, NESSEN,
KAMIN & FRANKEL
919 Third Avenue
New York, New York 10022
(212) 715-9100

Attorneys for Respondents

QUESTION PRESENTED

Whether the petitioner—having proceeded without objection to a hearing before a magistrate on his patent license royalty claims—was entitled to have a jury hear a subsidiary issue of patent infringement when, almost a year after the referral to the magistrate and midway through the hearing, he requested such a procedure.

TABLE OF CONTENTS

	PAGE
QUESTION PRESENTED	i
TABLE OF CONTENTS	ii
TABLE OF AUTHORITIES	iii
STATEMENT OF THE CASE	1
ARGUMENT	3
CONCLUSION	5

TABLE OF AUTHORITIES

Cases: PAGE

Heyman v. Kline, 456 F.2d 123 (2d Cir.), *cert. denied*, 409 U.S. 847 (1972) 4

Royal American Managers, Inc. v. IRC Holding Corp., 885 F.2d 1011 (2d Cir. 1989)..... 4

IN THE

Supreme Court of the United States

OCTOBER TERM, 1991

No. 91-445

RAYMOND BOYD,

Petitioner,

—v.—

SCHILDKRAUT GIFTWARE CORPORATION and
D&E TRADING CORPORATION,

Respondents.

ON PETITION FOR WRIT OF CERTIORARI TO THE UNITED STATES COURT OF APPEALS FOR THE SECOND CIRCUIT

BRIEF FOR RESPONDENTS IN OPPOSITION

In the respondents' respectful submission, there is no reason for the granting of certiorari in this case.

STATEMENT OF THE CASE

The facts now pertinent may be summarized as follows:

Petitioner brought this action in 1981 to recover royalties under a written patent license relating to a switching mechanism for a light in a mirror case. After numerous motions and the death of the first District Judge (Hon. Henry F. Werker) to whom the case had been assigned, the case was given to a successor Judge (Hon. Mary Johnson Lowe).

On July 16, 1984, Judge Lowe reaffirmed Judge Werker's prior rulings, including a denial of petitioner's motion for summary judgment (JA 540).* In addition, she made a series of decisions narrowing and defining the issues, including a determination, concurring in a prior decision by Judge Werker (JA 452), that any possible claim by petitioner for patent infringement was barred by laches (JA 540-43, 569-571).

In a subsequent conference, on October 5, 1984, the District Court reaffirmed the prior rulings (JA 567-571), and observed that the only problem remaining to be resolved was the amount of royalties, if any, to which petitioner was entitled. The Judge suggested then that this question be referred to a Magistrate for hearing and report (JA 571). Neither side objected, but counsel for petitioner said he "would have to discuss that with [his] client" (JA 571-572). The matter was referred to a Magistrate by an order (JA 646) to which no objection was made at any time, then or thereafter.

The hearing before the Magistrate went forward on the five days from January 23 to January 25, 1985 and from April 15 to April 16, 1985 (JA 729-1437). During the fourth day, counsel for petitioner stated that if the hearing were to produce a ruling on some claim of patent infringement, this would be a "jury issue" (JA 1173). The Magistrate, having stated his mandate under the reference merely to determine license royalties, if any, reiterated that this was "not an infringement case. I am simply saying by coincidence, the issue of infringement is part of the record in this case." (Pet. App. 154a.)

The Magistrate concluded in his report that petitioner was entitled to $76,789 in royalties (Pet. App. 102a-107a). The District Court affirmed all of his rulings except the calculation of royalties, concluding that petitioner had been paid all he was owed and was entitled to nothing more (Pet. App. 114a-128a).

---

* "JA" refers to the Joint Appendix in the Court of Appeals.

On appeal, petitioner presented a total of seven questions, assailing a number of substantive and procedural rulings. The fifth issue presented was the one now proposed to this Court—whether petitioner had been "deprived of his claimed right to a trial by jury. . . ." (Appellant's Br. 1.)

The Court of Appeals (Newman, J.) found among "the many issues . . . only one of substance"—a question of marking estoppel not raised now in the petition. Having rejected briefly other "procedural objections", the Court of Appeals said of the problem now proposed for review by this Court (Pet. App. 9a):

> Nor was there a denial of a jury trial by reason of the reference of the royalty computation issues to the Magistrate Judge. When Judge Lowe proposed referring the royalty calculations to a Magistrate Judge, she inquired of Boyd's counsel whether there was objection, and was told only that counsel would have to discuss the matter with his client. No objection was raised until the proceedings before the Magistrate Judge were well along. Even then, Boyd's counsel sought only to claim a jury trial on infringement as an issue purportedly distinct from the obligation to make royalty payments. Since the claim was for royalty payments, it was too late, after the royalty issues had been referred to the Magistrate Judge, to obtain a jury on the subsidiary issue of infringement, on which rested the royalty claim for the wedge switch compacts.

ARGUMENT

This is a clear case for denial of certiorari. There is no conflict and no issue of general importance arising from the unique and peculiar circumstances of this case. And the record is at best too murky and equivocal to present the questions petitioner proposes to reach.

The Magistrate's hearing against which petitioner now protests was ordered without objection in October 1984. The

hearing commenced, again without objection, almost a year later and, as the Court of Appeals noted (Pet. App. 9a), was "well along" before petitioner's counsel offered the hypothetical suggestion (JA 1173) that "[i]f, in fact, non-infringement is being tried here, basically what we are trying, then the plaintiffs must object on the grounds that this is a jury issue." The Court of Appeals correctly disposed of that suggestion when it observed (Pet. App. 9a) that in fact "the claim was for royalty payments," and that the equivocal objection came "too late . . . to obtain a jury on the subsidiary issue of infringement. . . ."

In these odd circumstances, petitioner cannot and does not purport to find the kind of conflict between Circuits or with applicable decisions of this Court that might warrant review on certiorari. Instead, petitioner relies extensively (Pet. 17-22) on asserted conflicts *within* Circuits (both the Second and Third), a condition that would not warrant certiorari even if the claim of intra-Circuit disparities were sound. But the claim is not sound in any event. The series of Second Circuit cases petitioner summarizes (Pet. 18-22) presents no instance of conflict with the narrow and fact-specific disposition of the instant case. If anything, those cases reflect that the Circuit has been and remains sensitively cognizant that the right to jury trial may be waived only by "a knowing and voluntary relinquishment of the right in a doubtful situation." *Heyman v. Kline*, 456 F.2d 123, 129 (2d Cir.) *cert. denied*, 409 U.S. 847 (1972). *See also Royal American Managers, Inc. v. IRC Holding Corp.*, 885 F.2d 1011, 1018-19 (2d Cir. 1989).

There is in sum nothing here to warrant further review by this Court.

CONCLUSION

The petition for a writ of certiorari should be denied.

Respectfully submitted,

MARVIN E. FRANKEL
(Counsel of Record)
TERRY D. WEISSMAN
KRAMER, LEVIN, NESSEN,
KAMIN & FRANKEL
919 Third Avenue
New York, New York 10022
(212) 715-9100

October 4, 1991

Attorneys for Respondents